Earl F Hale jr

mediator arbitrator

41.44 North Central Expressway Suite 225 Dallas Texas 75204 Tel 214 515 0199 Fax 214 515 0192 Email efhale@earlhale.com Website: www.earlhale.com

August 2, 2006

Facsimile:

To:

Monica Mosley

Facsimile:

Re:

Case No. 5:05-cv-00165-TJW, The Post Confirmation Trust vs. Digital

Exchange Systems, Inc. (Eastern District-Texarkana)

05-835 SLR

From:

Earl F. Hale, Jr.

Mailed: no

Message:

Dear Ms. Mosley, you asked for the status of this mediation. You will see from the style that the cases I mediated were carried under the style of the case in the Eastern District, Texarkana Division, but I was aware of the Delaware proceedings. The Dean Foods component did not settle at mediation. I checked today with local counsel for Dean Foods and he reported that the case had not yet settled. He reported (as he said he would confirm to you as well) that the case should probably proceed as a litigated matter. I did not speak with counsel for the plaintiff Trust. I offered to be available if the parties were interested in continuing to explore settlement. Let me know if you or the Court have further questions. Thank you.

Notice: This information may be legally privileged and is confidential and intended only for use of the addressee. This transmission is sent in trust for the sole purpose of delivery to the intended recipient. If you received this facsimile in error, its use, dissemination, distribution, or reproduction is prohibited. If you are not the intended recipient, please telephone 214-515-0199 to arrange for return of this facsimile and any copies at our expense. Thank you.